

form shall be retained in the official contract file.

(2) For contracts valued above the simplified acquisition threshold, prepare a DD Form 1597, Contract Closeout Check List, (or agency equivalent) to ensure that all required contract actions have been satisfactorily accomplished.

[56 FR 36289, July 31, 1991, as amended at 64 FR 2596, Jan. 15, 1999]

**204.804-2 Closeout of the contracting office files if another office administers the contract.**

(1) When an office, other than the contracting office, administers the contract, it shall—

(i) Provide the contracting office an interim contract completion statement when the contract is physically completed and accepted. This notice may be in the form of either a DD Form 1594, Contract Completion Statement, or a MILSCAP Format Identifier Interim PK9, Contract Physical Completion. When the DD Form 1594 is used, the contracting officer—

(A) Annotates Block 8, Remarks, with—

(1) “Notice of Physical Completion;”

(2) Final acceptance date;

(3) Signature of a responsible official; and

(4) Date signed.

(B) Does not complete Blocks 9 (b), (c), and (d) at this time;

(ii) Prepare a DD Form 1597, Contract Closeout Check List, if necessary, to determine that all the required actions have been done;

(iii) Initiate DD Form 1593, Contract Administration Completion Record, if necessary to obtain statements from other organizational elements that they have completed the actions they are responsible for; and

(iv) Upon final payment—

(A) Process the DD Form 1594 with Blocks 1 through 9 completed or the MILSCAP Format Identifier PK9 verifying that all contract administration office actions have been done; and

(B) Send the original of the DD Form 1594 or the MILSCAP Format Identifier PK9 to the contracting office, and file a copy in the official contract file.

(2) If the administrative contracting officer (ACO) cannot closeout a con-

tract within the specified time period (see FAR 4.804-1), the ACO must notify the procuring contracting officer (PCO) within 45 days after the expiration of the time period of—

(i) The reasons for the delay; and

(ii) New target date for closeout. If MILSCAP procedures apply, the ACO shall use the MILSCAP Format Identifier PKX, Unclosed Contract Status, to provide this notice to the PCO.

(3) If the contract still is not closed out by the new target date, the ACO shall again notify the PCO with the reasons for delay and new target date. If MILSCAP procedures apply, continue to use the MILSCAP Format Identifier PKX, Unclosed Contract Status, to provide this notice.

**204.805 Disposal of contract files.**

(1) The sources of the period for which official contract files must be retained are General Records Schedule 3 (Procurement, Supply, and Grant Records) and General Records Schedule 6 (Accountable Officers’ Accounts Records). Copies of the General Records Schedule may be obtained from the National Archives and Records Administration, Washington, DC 20408.

(2) Deviations from the periods cannot be granted by the Defense Acquisition Regulatory Council. Forward requests for deviations to both the General Accounting Office and the National Archives and Records Administration.

(3) Hold completed contract files in the office responsible for maintaining them for a period of 12 months after completion. After the initial 12 month period, send the records to the local records holding or staging area until they are eligible for destruction. If no space is available locally, transfer the files to the General Services Administration Federal Records Center that services the area.

(4) Duplicate or working contract files should contain no originals of materials that properly belong in the official files. Destroy working files as soon as practicable once they are no longer needed.

(5) Retain pricing review files, containing documents related to reviews

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of the contractor's price proposals, subject to cost or pricing data (see FAR 15.403-4), for six years. If it is impossible to determine the final payment date in order to measure the six year period, retain the files for nine years.

[56 FR 36289, July 31, 1991, as amended at 62 FR 40472, July 29, 1997; 63 FR 11528, Mar. 9, 1998]

### Subpart 204.9—Taxpayer Identification Number Information

SOURCE: 64 FR 43099, Aug. 9, 1999, unless otherwise noted.

#### 204.902 General.

(b) DoD uses DD Form 350, Individual Contracting Action Report, (see 204.670) to meet these reporting requirements.

[64 FR 43099, Aug. 9, 1999]

#### 204.904 Reporting payment information to the IRS.

(1) 26 U.S.C. 6041 and 6041A and 26 CFR 1.6041 require Government payors to report to the IRS, on IRS Form 1099, payments of an annual cumulative value of \$600 or more provided to a contractor, except payments for—

(i) Supplies, unless the supplies are incidental to the furnishing of services;

(ii) Telegram, telephone, freight, storage, or similar charges;

(iii) Income that the payor must report on IRS Form W-2 (e.g., payments to employees or payments under contracts for personal services);

(iv) Any contract with a Federal agency;

(v) Any contract with a State, the District of Columbia, or an outlying area of the United States; or a political subdivision, agency, or instrumentality of any of the foregoing;

(vi) Any contract with an organization exempted from taxation by 26 U.S.C. 501(a). Such organizations may include charitable, social welfare, labor, agricultural, veterans', and political organizations; business leagues; social clubs; fraternal societies; and employees' associations. Contracting officers may obtain additional information to assist in determining an organization's tax-exempt status via the Internet at [http://www.irs.ustreas.gov/prod/bus\\_info/eo/eo-types.html](http://www.irs.ustreas.gov/prod/bus_info/eo/eo-types.html);

(vii) Any contract with a foreign government or a political subdivision of a foreign government;

(viii) Any contract with an international organization listed in 22 U.S.C. 288;

(ix) Any classified contract excepted by 26 U.S.C. 6050M. As used in this section only, a contract is classified if—

(A) DoD designates the existence of the contract or the contract subject matter as classified (i.e., the contract requires a specific degree of protection against unauthorized disclosure for reasons of national security); or

(B) The head of the agency determines that filing IRS Form 1099 would interfere with the effective conduct of a confidential law enforcement or foreign intelligence activity; or

(x) Such other services as the IRS may specify in regulations.

(2) Unless an exception in paragraph (1) of this section applies, provide as the last page of the copy of the contract sent to the payment office—

(i) A statement that the contractor is providing services subject to Form 1099 payment information reporting to the IRS, as required by 26 U.S.C. 6041 and 6041A; and

(ii) The contractor's Taxpayer Identification Number and type of organization, if the contract does not include the clause at FAR 52.204-7, Central Contractor Registration.

[64 FR 43099, Aug. 9, 1999, as amended at 68 FR 64558, Nov. 14, 2003; 70 FR 35544, June 21, 2005]

### Subpart 204.11—Central Contractor Registration

SOURCE: 68 FR 64558, Nov. 14, 2003, unless otherwise noted.

#### 204.1103 Procedures.

(e) On contractual documents transmitted to the payment office, provide the Commercial and Government Entity code, instead of the DUNS number or DUNS+4 number, in accordance with agency procedures.

[70 FR 57188, Sept. 30, 2005]